



HOUSE COMMITTEE ON APPROPRIATIONS

FY 10-11

Executive Budget Review

**Louisiana State Board of Elementary and
Secondary Education**

19-666



The Board of Elementary and Secondary Education Budget Unit has two programs:

- 1) Administration Program and**
- 2) Louisiana Quality Education Support Program**

La. Constitution Art. VIII, Sec. 3, provides for the creation of BESE. Art. VII, Sec. 10.1, provides for the creation of the Louisiana Education Quality Trust Fund, commonly referred to as 8(g). Art. VIII, Sec.13 (B), provides for the Minimum Foundation Program and the role of BESE in developing and adopting a formula and the approval or disapproval of the MFP by the legislature.



Executive Budget By Means of Finance

Board of Elementary and Secondary Education					
Means of Financing (MOF)	Actual Expenditures FY 2008-09	Existing Operating Budget FY 2009-10 (12/1/09)	Executive Budget FY 2010-11	Change From FY 09-10 to FY 10-11	Percent Change From FY 09-10 to FY 10-11
State General Fund (SGF)	\$1,287,502	\$1,251,628	\$1,355,894	\$104,266	8.33%
Interagency Transfers (IAT)	\$0	\$0	\$0	\$0	0.00%
Fees & Self-gen Rev (SGR)	\$0	\$2,000	\$2,000	\$0	0.00%
Statutory Dedications (SD)	\$35,768,458	\$47,536,905	\$38,536,905	-\$9,000,000	-18.93%
Interim Emergency Board	\$0	\$0	\$0	\$0	0.00%
Federal Funds (FED)	\$0	\$0	\$0	\$0	0.00%
TOTAL MOF	\$37,055,960	\$48,790,533	\$39,894,799	-\$8,895,734	-18.23%
Authorized Positions	17	14	14	0	0.00%

BESE is funded with State General Funds and Statutory Dedications received from the Louisiana Quality Education Support Fund, commonly referred to as 8(g) funds. The decrease in 8(g) funds is attributable to projected decreases in earnings. There are no ARRA Federal Funds appropriated to this agency.



SGF Revenue – Board of Elementary and Secondary Education

19-666	STATE GENERAL FUND				
	Actual Expenditures FY 08-09	Existing Operating Budget FY 09-10 (12/01/09)	Executive Budget FY 10-11	Change from FY 09-10 to FY 10-11	FY10 to FY11 % Change
Administration	\$1,287,502	\$1,251,628	\$1,355,894	\$104,266	8%
Louisiana Quality Education Support Fund	\$0	\$0	\$0	\$0	0%
TOTAL	\$1,287,502	\$1,251,628	\$1,355,894	\$104,266	8%



Total Revenue – Board of Elementary and Secondary Education

19-666	TOTAL MEANS OF FINANCE				
	Actual Expenditures FY 08-09	Existing Operating Budget FY 09-10 (12/01/09)	Executive Budget FY 10-11	Change from FY 09-10 to FY 10-11	FY10 to FY11 % Change
Administration	\$1,287,502	\$1,790,533	\$1,894,799	\$104,266	6%
Louisiana Quality Education Support Fund	\$35,768,458	\$47,000,000	\$38,000,000	-\$9,000,000	-19%
TOTAL	\$37,055,960	\$48,790,533	\$39,894,799	-\$8,895,734	-18%

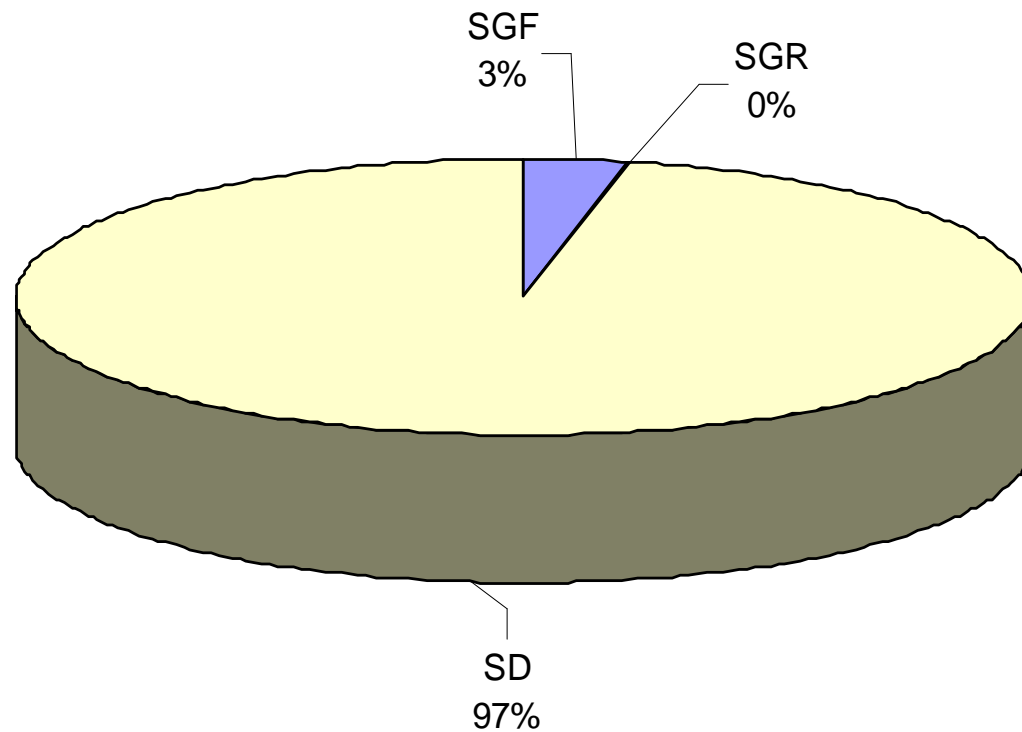


Position Summary

19-666	AUTHORIZED FULL-TIME EQUIVALENTS				
	Actual FY 08-09	Existing Operating Budget FY 09-10 (12/01/09)	Executive Budget FY 10-11	Change from FY 09-10 to FY 10-11	FY10 to FY11 % Change
Administration	10	7	7	0	0%
Louisiana Quality Education Support Fund	7	7	7	0	0%
TOTAL	17	14	14	0	0%



Louisiana Board of Elementary and Secondary Ed FY10-11 Means of Finance





Significant Budget Changes - Statewide

\$29,184	State employee retirement rate adjustments (\$15,144 SGF, \$14,040 SD)
\$31,875 SGF	Group Insurance for Retirees
(\$32,009)	Salary Base Adjustment (-\$3,547 SGF, -\$28,462 SD)
(\$1,888) SGF	Adjustment for Risk Management, Legislative Auditor Fees, rent in state-owned buildings, capitol park security, Uniform Payroll System fees, Civil Service fees, public training fees and computing service fees



Significant Budget Changes

\$23,747 SGF

This adjustment provides funding for the increase in board member per diem as provided in R.S. 17:5 as the same per diem provided for members of the state legislature

\$38,935 SGF

This adjustment provides funding for nine scheduled Recovery School District committee meetings to be held outside of Baton Rouge. Travel expenses of \$36,483 are for 11 board members and 4 staff persons and \$2,452 for refreshments, room rentals and equipment rentals.

(\$8,985,578) SD

This adjustment reflects the decrease in projected revenue for the Louisiana Quality Education Support Fund.

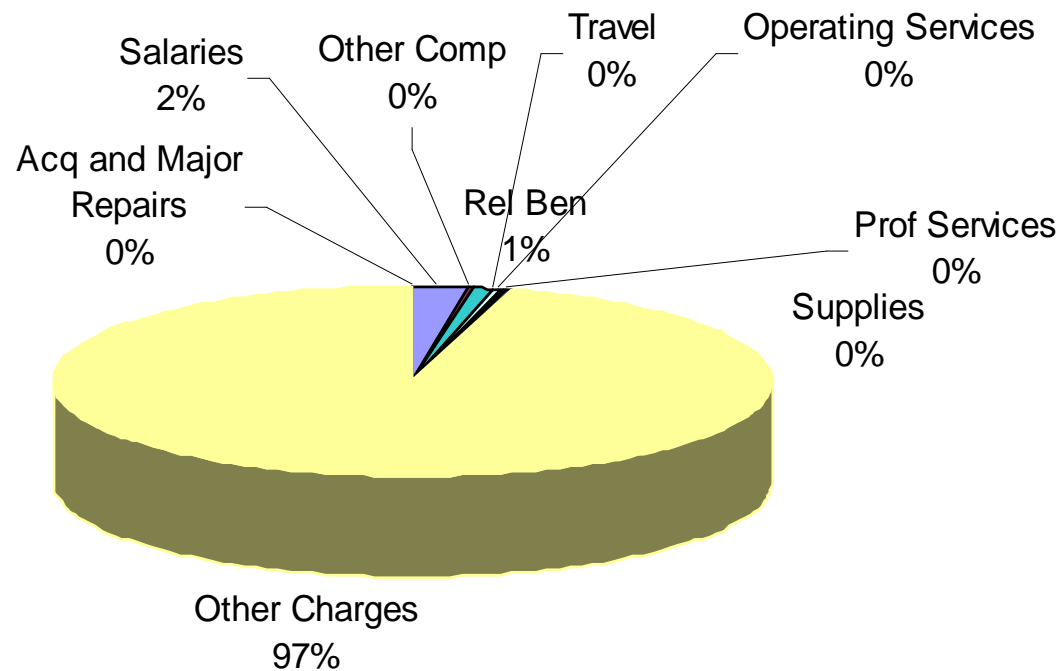


FY 10-11 Executive Budget by Expenditure Line Item

Expenditures	FY 08-09 Actual Budget	FY 09-10 Existing Operating Budget (12/01/09)	FY 10-11 Executive Budget	Change from FY 09-10 to FY 10-11	Percent Change
Salaries	\$1,054,356	\$991,200	\$968,304	-\$22,896	-2.3%
Other Compensation	\$78,479	\$94,981	\$117,342	\$22,361	23.5%
Related Benefits	\$302,821	\$326,842	\$380,174	\$53,332	16.3%
Travel	\$90,425	\$81,792	\$118,275	\$36,483	44.6%
Operating Services	\$73,968	\$83,620	\$86,072	\$2,452	2.9%
Supplies	\$13,443	\$25,875	\$25,875	\$0	0.0%
Prof Svcs	\$26,100	\$92,514	\$62,514	-\$30,000	-32.4%
Other Charges	\$35,407,587	\$47,093,709	\$38,136,243	-\$8,957,466	-19.0%
Acq/Major Repairs	\$8,781	\$0	\$0	\$0	0.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$37,055,960	\$48,790,533	\$39,894,799	-\$8,895,734	-18.2%



Louisiana Board of Elementary and Secondary Education FY 10-11 Line Item Expenditures





BESE Discretionary and Non-Discretionary Funding in FY 10-11 Executive Budget

Discretionary	\$1,622,277	4.07%
Non-Discretionary	\$38,272,522	95.93%
Total	\$39,894,799	100.00%

Non-discretionary funding within BESE's FY 10-11 Executive Budget Recommendation is primarily due to the Constitutional Dedication for the Louisiana Quality Education Support Fund and employer contributions for retiree group insurance



Statutory Dedications

Statutory Dedication Comparison					
Statutory Dedications	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget 12/1/09	FY 10-11 Executive Budget	Change FY 09-10 to FY 10-11	Percent Change
Louisiana Charter School Startup Loan Fund	\$0	\$536,905	\$536,905	\$0	0.0%
Louisiana Quality Education Support Fund	\$35,768,458	\$47,000,000	\$38,000,000	-\$9,000,000	-19.1%
TOTAL	\$35,768,458	\$47,536,905	\$38,536,905	-\$9,000,000	-18.9%



Louisiana Education Quality Trust Fund (Permanent Trust)

8(g) Fund – La. Constitution Art. VII, Section 10.1

- Source: Initial deposit less \$100 million received from the federal government following a settlement pertaining to mineral production activity on the Outer Continental Shelf (\$640 million less \$100 million)
- Appropriations are made out of the 8(g) Louisiana Quality Education Support Fund
- As of March 18, 2010, the Permanent Trust Fund balance was \$1.01 billion
- 8(g) Support Fund revenues are allocated equally between the Board of Regents and the Louisiana Board of Elementary and Secondary Education, as per the state constitution



Dedications

Louisiana Charter School Startup Loan Fund

- Provide a source for funding no-interest loans to assist both existing and new type 1, type 2 or type 3 charter schools with initial start-up funding and for funding the administrative and legal cost associated with the charter school program
- Loans shall not exceed \$100,000 and shall be repaid with no interest and may be made for terms of up to three years. Loan repayment shall occur by having the Department of Education automatically reduce the last state payment or payments by one-third of the total loan amount during the initial three years of the loan term



Louisiana Board of Elementary and Secondary Education

FY 10-11 SALARIES/POSITIONS

- \$1.1 million for Salaries and Other Compensation
- \$380,174 for Related Benefits
- Total Personal Services = \$1.5 million, 3.7% of the BESE total Executive Budget Recommendation
- Average Salary = \$68,065
- 14 Authorized Positions (6 classified and 8 unclassified)
- As of January 25, 2010, BESE had 1 vacancy



State Board of Elementary and Secondary Education

Ms. Jeanette B. Vosburg

Executive Director

Louisiana State Board of Elementary and Secondary Education

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